

Gov. Doc
CAN
COM
C

CANADA, CAPITAL AND CORPORAL PUNISHMENT AND
LOTTERIES, JOINT COMMITTEE OF THE SENATE AND HOUSE
OF COMMONS ON,

SECOND SESSION—TWENTY-SECOND PARLIAMENT

1955



Joint Committee of the Senate and the House of Commons

ON

CAPITAL AND CORPORAL PUNISHMENT AND LOTTERIES

Joint Chairmen:—The Honourable Senator Salter A. Hayden
and
Mr. Don F. Brown, M.P.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 2

TUESDAY, FEBRUARY 15, 1955

TUESDAY, FEBRUARY 22, 1955

WITNESSES

Canadian Association of Exhibitions and Affiliated Organizations
(See Minutes for February 22 for list of individual witnesses)

Appendix: Text of letter from Attorney General of British Columbia to
Pacific National Exhibition.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1955.

COMMITTEE MEMBERSHIP

For the Senate (10)

Hon. Walter M. Aseltine	Hon. Nancy Hodges
Hon. Paul Henri Bouffard	Hon. John A. McDonald
Hon. John W. de B. Farris	Hon. Arthur W. Roebuck
Hon. Muriel McQueen Fergusson	Hon. Clarence Joseph Veniot
Hon. Salter A. Hayden	Hon. Thomas Vien

(Joint Chairman)

For the House of Commons (17)

Miss Sybil Bennett	Mr. A. R. Lusby
Mr. Maurice Boisvert	Mr. R. W. Mitchell
Mr. J. E. Brown	Mr. G. W. Montgomery
Mr. Don. F. Brown (<i>Joint Chairman</i>)	Mr. H. J. Murphy
Mr. A. J. P. Cameron	Mrs. Ann Shipley
Mr. F. T. Fahey	Mr. Ross Thatcher
Hon. Stuart S. Garson	Mr. Phillippe Valois
Mr. Yves Leduc	Mr. H. E. Winch
Mr. C. E. Johnston	

A. SMALL,
Clerk of the Committee.

ORDERS OF REFERENCE

MONDAY, February 21, 1955.

Ordered,—that the name of Mr. Johnston (*Bow River*) be substituted for that of Mr. Shaw on the said Committee.

Attest.

LEON J. RAYMOND,
Clerk of the House.

MINUTES OF PROCEEDINGS

TUESDAY, February 15, 1955.

The Joint Committee of the Senate and the House of Commons on Capital and Corporal Punishment and Lotteries met at 11.00 a.m. to "consider and decide the question of a hearing for the executioner". The Honourable Senator Hayden, Joint Chairman, presided.

Present:

The Senate: The Honourable Senators Aseltine, Farris, Fergusson, Hayden, Hodges, and Veniot.—(6).

The House of Commons: Miss Bennett, Messrs. Boisvert, Brown (*Brantford*), Brown (*Essex West*), Cameron (*High Park*), Fairey, Garson, Lusby, Shaw, Mrs. Shipley, Messrs. Thatcher, Valois, and Winch.—(13).

In attendance: Mr. D. G. Blair, Counsel to the Committee.

The presiding chairman sought the opinion of the Committee as to whether or not a verbatim report should be taken of today's proceedings. After discussion thereon, Mr. Winch moved, seconded by Mr. Shaw, that a verbatim report be taken of today's proceedings on the question before the Committee. On division, the said motion was negatived—(*Yeas*, 2; *Nays*, 15).

The proceedings of the Committee continued in open session without further verbatim report of the Committee's deliberations.

Mr. Winch moved, seconded by Mr. Thatcher, that the Committee ask the executioner to give evidence before it and that the Subcommittee on Agenda and Procedure make the necessary arrangements. After considerable discussion thereon, the said motion was negatived, on division—(*Yeas*, 5; *Nays*, 12).

At 12.05 p.m., the Committee adjourned to meet again as scheduled.

TUESDAY, February 22, 1955.

The Joint Committee of the Senate and the House of Commons on Capital and Corporal Punishment and Lotteries met at 11.00 a.m. The Honourable Senator Hayden, Joint Chairman, presided.

Present:

The Senate: The Honourable Senators Aseltine, Fergusson, Hayden, Hodges, and Veniot.—(5).

The House of Commons: Miss Bennett, Messrs. Boisvert, Brown (*Essex West*), Fairey, Garson, Johnston (*Bow River*), Leduc (*Verdun*), Mitchell (*London*), Montgomery, Murphy (*Westmorland*), Thatcher, Valois, and Winch.—(13).

In attendance:

Representing the Canadian Association of Exhibitions and Affiliated Organizations: Mr. Duncan K. MacTavish, Q.C., Ottawa, Ontario; Mr. J. S. C. Moffitt, Vancouver, B.C.; Mr. Steven MacEachern, Saskatoon, Sask.; Mr. U. Ben Williams, Vancouver, B.C.; Mr. Walter Jackson, London, Ontario; Mr. Emery Boucher, Quebec, P.Q.

Counsel to the Committee: Mr. D. G. Blair.

On behalf of the Committee, the presiding chairman welcomed Mr. Johnston (*Bow River*) to its membership in place of Mr. Shaw.

On motion of Mr. Fairey, seconded by Mr. Mitchell (*London*),

Ordered,—That this Committee do authorize payment of the travel and living expenses incurred by Counsel to the Committee in attending, on behalf of the Committee, a conference of interested bodies on the subject of corporal punishment and related matters to be held at Kingston, Ontario, February 22 to 25.

The presiding chairman announced that a bound volume of the Minutes of Proceedings and Evidence of the previous session's corresponding Committee has been mailed to each member of this Committee.

Mr. MacTavish, representing the Canadian Association of Exhibitions, was called. Mr. MacTavish introduced the members of the delegation and presented the brief of the association (which was taken as read in view of advance distribution to the Committee). Mr. MacTavish commented on the brief in relation to exemptions in section 236 of the Criminal Code and, in particular, to advance admission-ticket sales by agricultural fairs.

Mr. Moffit, representing the Pacific National Exhibition, was called and allowed to read the brief of that organization (which had been distributed in advance to the Committee) relating to advance admission-ticket sales by agricultural fairs and to exemptions in section 236 of the Criminal Code.

Mr. MacEachern, representing the Western Canada Association of Exhibitions, was called and allowed to present and read the brief of that association relating to exemptions in section 236 of the Criminal Code.

The witnesses and other members of the joint delegations were questioned by the Committee on their submissions.

During the course of the questioning period it was agreed that the text of a letter, dated January 4, 1955, from the Attorney General of British Columbia to the Pacific National Exhibition be printed as an appendix to this day's evidence. (*See Appendix*)

At the conclusion of the questioning period, it was agreed that the delegation would submit to the Committee for consideration at an early date a proposed draft of an amendment to the Criminal Code that would satisfy their requirements.

The presiding chairman expressed the Committee's appreciation to the members of the delegation for their submissions.

The witnesses retired.

At 1.00 p.m., the Committee adjourned to meet again as scheduled.

A. SMALL,
Clerk of the Committee.

PROCEDURAL DISCUSSION

TUESDAY, February 15, 1955.

11.00 A.M.

The PRESIDING CHAIRMAN: (Hon. Mr. Hayden): Gentlemen, we have a quorum and I will call the meeting to order.

The item before us this morning is the report from the subcommittee adopted at our last meeting; namely, that this committee consider and decide the question of hearing the executioner. This is the matter which is before us now.

There is another point I should bring to your attention first. What is said this morning on the subject of whether we should or should not call the executioner as a witness would not ordinarily come within the category of evidence for the purpose of our inquiry. I was wondering whether in those circumstances we should have a *Hansard* report of the proceedings. All we would have would be an expression of the views of the members of the committee and the determination of the committee. My feeling in the matter is—and I am only one of the members of the committee—that we will not need a *Hansard* report. However, I am in the hands of the committee on that point. Would you care to make a motion?

Mr. WINCH: I would move we have a complete *Hansard* report.

Mr. BOISVERT: I am opposed.

Mr. SHAW: I will second the motion so that it may be debated.

The PRESIDING CHAIRMAN: We have a motion duly moved and seconded that we have a complete *Hansard* report.

Mr. BOISVERT: Mr. Chairman, I do not think we need to have a stenographic report of what will take place today. I do not think that it is necessary. It will not help the committee, after all; so, I am opposed to having what is going to be said here this morning reported.

Mr. BROWN (Essex West): Should we ask ourselves, Mr. Chairman, whether or not, if we were considering inviting some other witness before this committee, we would take down all the procedural discussion. I think not. I think it is clearly a procedural matter, one which is of no value to the public. Certainly it has no bearing on the decision and the committee can change its procedure at the next meeting if it desires. My own thought is that it would be valueless so far as evidence is concerned. A stenographic report of the discussion is of no value at all to this committee or to the public at large.

Mr. FAIREY: Perhaps the mover of the resolution would tell us what value he attaches to a record of our discussions in this matter.

Mr. WINCH: Mr. Chairman, I think that a record is very valuable in this way: we have been given by the Senate and by the House of Commons a certain job to do and that job, in one of its three phases, is the consideration of capital punishment. Now, capital punishment in Canada is hanging. There is only one man in Canada who does it. I am sorry, there are now two. I saw you shaking your head. There are now two, one in Ontario and one in Quebec. Sir, if we are to make a thorough study then it involves the question of hanging and so I think that it is important that any decision we make as to whether or not we hear the hangman should be a matter of public record. If we do hear him, why? If we do not hear him, why? I think this should go on the record. I could say much more but I am going to wait until we come to the actual question which is before us.

The PRESIDING CHAIRMAN: Does any other member of the committee wish to express his views before we have a vote?

Hon. Mr. FARRIS: Mr. Chairman, I have not been present at quite a number of the meetings and have tried to make up that by reading what has been printed. My prediction is if we do not watch out we will have such an assembly of material that we will never read it and it will be confusing. I think that it is rather essential we confine our record to those things that are really involved in the inquiry itself.

The PRESIDING CHAIRMAN: Are you ready for a vote?

Hon. Mr. ASELTINE: The time to call the hangman, if we do call him, would be after we decide to adopt capital punishment.

Mr. WINCH: On a point of order, we are not discussing the calling of the hangman. We are just discussing now whether or not our discussion on that question should go into *Hansard*.

Hon. Mr. ASELTINE: I agree. I am out of order.

Hon. Mrs. HODGES: Question.

The PRESIDING CHAIRMAN: The motion is that there be a *Hansard* report of the discussion as to whether or not we call the hangman as a witness.

(On division, the motion was lost).

(The meeting continued in open session, without verbatim report).

EVIDENCE

FEBRUARY 22, 1955.

11:00 a.m.

The PRESIDING CHAIRMAN (Hon. Mr. Hayden): Ladies and gentlemen, it being 11 o'clock, I shall call the meeting to order.

Now, the first item of business before the committee this morning is to welcome Mr. C. E. Johnston of Bow River who is replacing Mr. Shaw on this committee. We will defer your speech of appreciation, Mr. Johnston, until you see how the committee functions.

The second item is that we want authority for our counsel to attend a conference at Kingston tomorrow. The purpose of the conference concerns the question of corporal punishment. I would like to have a resolution authorizing his travel expenses to attend the conference in Kingston.

Mr. FAIREY: I so move.

Mr. MITCHELL (London): I second the motion.

The PRESIDING CHAIRMAN: Those in favour? Opposed?
Carried.

The PRESIDING CHAIRMAN: I hope you have noticed that the steering committee has done very well by this committee in seeing that each member has been provided with a bound volume of last year's proceedings for handy reference.

Today we have the Canadian Association of Exhibitions and the Pacific National Exhibition represented. The briefs, I understand, have been distributed. Mr. Duncan MacTavish is going to speak on behalf of the Canadian Association of Exhibitions, and I believe he will also present to you the representatives from the Canadian Association of Exhibitions who are here today. Would you come forward, Mr. MacTavish.

MR. DUNCAN K. MacTAVISH, Q.C., Called

The WITNESS: Mr. Chairman, honourable ladies and gentlemen, I appear here on behalf of the Canadian Association of Exhibitions. In the delegation, Mr. Chairman, are the following gentlemen:—

Mr. Stephen MacEachern, manager of the Saskatoon Exhibition and president of the Canadian Association of Exhibitions; Mr. Walter Jackson, manager of the Western Fair, London, Ontario, and a director of the Canadian Association of Exhibitions. Would you like these gentlemen to stand?

The PRESIDING CHAIRMAN: Yes, please.

The WITNESS: I would ask Mr. MacEachern and Mr. Jackson to stand up please. The delegation also includes Mr. H. H. McElroy, manager of the Central Canada Exhibition, Ottawa, Ontario; Alderman Donald Reid, vice-president of the Central Canada Exhibition. Alderman Reid is an alderman of the city of Ottawa; Mr. J. K. Clarke, assistant manager of the Central Canada Exhibition; Mr. Evans McGregor, assistant manager of the Western Fair, London, Ontario; Mr. S. L. Small, who is not here yet, is president of the

Western Canada Fairs Association; Mr. Emery Boucher, secretary of the Canadian Association of Exhibitions and manager of the Quebec Provincial Exhibition.

Now, Mr. Chairman, I understand the British Columbia delegation may be making representations of their own and they will, I believe, speak later.

The brief, Mr. Chairman and honourable ladies and gentlemen is short, and I do not propose to read it, but with your permission, I would like to make some comment after which, if there are any questions, I shall be glad to answer any I can or refer them to the gentlemen who are here.

The following brief, of course, is directed to section 236 of the Criminal Code and more particularly to subsection (d) and (e) and the provisos which I shall refer to in detail in a few moments.

The Canadian Association of Exhibitions wishes to express its appreciation to this Committee for the opportunity granted to it to present the views of its members on the question of the present provisions of the Criminal Code with respect to lotteries as they affect agricultural fairs and exhibitions.

This is a question vital to the success of exhibitions and fairs operated by members of the association.

The Canadian Association of Exhibitions represents either directly or indirectly through provincial associations, 302 agricultural fairs or exhibitions.

The association has obtained from its members certain statistical information for the year 1953 which we believe will be of interest to this Committee and which will be referred to in the course of this brief:—

1. Total value of all land, buildings and equipment owned by members of the association	\$97,347,365.44
2. Total capital expenditures made in improvements and additions to property owned by members of the association	3,766,308.40
3. Total operating receipts of all members of the association	10,541,355.22
4. Total operating costs of all members of the association	9,359,611.38
5. Total federal, provincial and local grants received by members of the association	1,582,133.90
6. Total operating costs of the agriculture sections of members of the association	3,618,634.60
7. Total prize money paid to exhibitors (included in operating costs for agriculture sections).....	1,262,546.42
8. Total number of agricultural exhibitors receiving prize money	54,427

The present proviso to section 236 of the Criminal Code exempting agricultural fairs and exhibitions from subsections (d) and (e) of section 236 except in so far as they relate to any dice game, shell game, punch board or coin table was enacted by 15-16 Geo. V. c. 38 s. 4 (1925). At that time there was some discussion in the House of Commons on the proposed amendment which discussion appears in 1925 Vol. V House of Commons debates at page 4204. The Honourable Mr. Lapointe, then the Minister of Justice, advised that the Department of Agriculture had recommended this proviso and that the specially objectionable games were excluded. It was emphasized that the proposed legislation was a necessity if agricultural exhibitions and fairs were to be financed and we believe that it was on this basis that the proviso was enacted.

As has been stated above the member fairs of the association expended in 1953 the sum of \$3,618,634.60 on operating costs of agriculture sections and of this amount \$1,262,546.42 was paid out in prize money to 54,427 exhibitors. It is to be noted that money expended in this connection exceeds the total federal, provincial and local grants by approximately \$2,000,000.00 and it is not unreasonable to estimate that if the proviso to section 236 of the Criminal Code were to be repealed and if the member fairs of this association were therefore unable to operate midways in all their phases as they now do, then further demands would have to be made upon the government at the federal, provincial or local level for financial assistance if agricultural fairs and exhibitions are to continue to operate.

This association is of the opinion that its member fairs are primarily interested in the agricultural aspect of their exhibitions and that these exhibitions are still predominantly agricultural and this is particularly true in the case of the smaller fairs. While the large exhibitions might for a time survive the loss of revenue which would undoubtedly occur should the said proviso be repealed an immediate hardship would result to the smaller fairs. An agricultural exhibition cannot exist without a large number of exhibitors and a great majority of these exhibitors are prepared at the small county fairs and therefore it is essential that these small fairs continue in operation in such a way to be attractive to the exhibitor and to ensure the training of exhibitors for the larger exhibitions.

It was said in the House of Commons during the debate in 1952 concerning the amendment to the Criminal Code referred to above that the midway attracts as many people as the agricultural exhibition itself. We doubt that this statement is true today but we suggest that the midway, including the type of entertainment which is permitted under the Criminal Code, has become an integral part of not only the small county fair but also of the large exhibition and the public expects to and anticipates enjoying itself in this way when attending exhibitions and fairs. While it is realized that the attendance at the exhibitions and fairs would decrease if these games were not permitted it is believed that if they only attract a certain section of the public to the exhibition they have served a purpose as that section of the public is undoubtedly attracted to the agricultural exhibits when in the fair grounds and thus we believe these games assist in stimulating the interest of the public in the agricultural aspect of the fair or exhibition which is, as we have submitted, the subject of first importance to the members of this association. There are also many who come primarily to see one or the other or all of the agricultural exhibits but they too look forward to enjoying the midway and the various games of which it is composed. We suggest that there is no reason why the public should be deprived of this pleasure.

Referring again to the debate in the House of Commons mentioned above, it was said also that these exhibitions are undoubtedly of great educational value from the point of view of agriculture. It is the submission of this Association that this statement is just as true today as it was in 1952 and, in fact, the funds expended on the operating costs of agriculture sections of member fairs has increased considerably since 1925 as has the amount of money paid out by way of prizes to exhibitors. In addition to this the costs of operations generally have increased to such extent that the additional revenue provided by the operation of the midway and the games in question is now an absolute necessity if the agricultural programs which have been carried on by member fairs are to be continued on an effective basis.

This association has considered with interest the minutes of proceedings and evidence taken before this committee and more particularly the evidence dealing with the question of lotteries and the several references to the present

exemption in favour of agricultural fairs and exhibitions. The question has been raised from time to time as to what action may be taken to ensure the honesty or otherwise of the operation of the various games in a midway which are permitted at agricultural fairs and exhibitions pursuant to the proviso to section 236. The member fairs of this association are responsible for their own operation and each member fair supervises diligently the conduct of the operators of these various games and if any game were found to be dishonest it would be closed immediately. It can be seen therefore that the public has protection in this connection and the committee will appreciate that it is absolutely necessary for the management of each fair or exhibition to continue this practice in order to maintain the good will of the public generally. It is interesting to note that Mr. W. B. Common, Q.C., director of public prosecutions for the Province of Ontario, has stated before this committee that to his knowledge in the last fifteen or twenty years there was only one occasion where a game was closed up on account of dishonesty at the Toronto exhibition. The Toronto exhibition is operated by the Canadian National Exhibition, a member of this association, and is one of the largest exhibitions of its kind in the world.

This association has now presented its views to the committee in support of its contention that the present provisions of the Code in so far as they affect agricultural fairs and exhibitions should be maintained. However the experience of various member fairs of the association has shown that the wording of the proviso to section 236 is such that it may be given several interpretations and the association would like to submit at this time that the said proviso should be enlarged in order to clarify a situation which has developed concerning its interpretation.

Many agricultural exhibitions and fairs conduct an advance sale of general admission tickets throughout the area in which they are located. These tickets bear numbers and during the course of the agricultural fair or exhibition they are drawn for such prizes as automobiles and television sets. The drawing is usually made on the final night of the exhibition and while substantial prizes are given the total receipts from the sale of tickets both as admission and to qualify for the drawing of prizes has far exceeded the value of the prizes and is a very important source of revenue to any agricultural fair or exhibition. Certain member fairs have ceased to follow this procedure until the law has been clarified and we understand that the attorney general of one province has ruled that the sale of such tickets outside the fair grounds is not permissible under the Criminal Code and that the sale of the tickets can only take place within the fair grounds during the progress of the fair.

The sale of tickets in this manner is a vital source of income and in addition to this it does encourage the general public to attend the agricultural fair or exhibition in question. The proceeds from the sale of these tickets acts as a very real form of insurance against adverse weather conditions at the time of the exhibition.

Therefore this association respectfully requests the committee to consider an amendment to the proviso to section 236 of the Criminal Code to clarify this misunderstanding and to ensure that agricultural fairs and exhibitions will be permitted to sell tickets in the manner indicated above prior to the actual commencement of the undertaking.

The association would again like to express its appreciation to the committee for being permitted to make this presentation and officers of certain of the member fairs of the association are available and willing to answer any enquiries which members of this committee may have in connection with this brief.

The WITNESS: The Canadian Association of Exhibitions represents, either directly or indirectly, 302 exhibitions and fairs that are held annually throughout the country from coast to coast. On the first page in the fourth paragraph of the brief there are some statistics which I shall not read but to which I would like to draw your particular attention because these statistics indicate the size of the business done by the exhibitions and the importance of exhibitions and fairs in terms of their impact on the public of this country.

If I may, I would just like to refer to one item, the last one, number 8, which shows that the total number of agricultural exhibitors who received prize money in the year 1953 was 54,427. That, I suggest is an interesting statistic because it indicates that 54,427 of a vastly larger number of exhibitors were successful in obtaining prizes and it indicates, in my submission, the type of active interest that is maintained in exhibitions and fairs.

Now, I shall say a word about the history of the particular matter which we wish to discuss with you, and it is, of course, the so-called exemption that fairs and exhibitions have enjoyed in respect of certain games of chance. In 1925, by the enactment 15-16 Geo. V. chapter 38, section 4 there appeared for the first time the exemptions which are now contained in section 236 of the Criminal Code and if I may do so, I think this may be an appropriate moment in which to make specific reference to the wording.

Section 236, as you of course know, reads:

“Every one is guilty of an indictable offence and liable to two years imprisonment and to a fine not exceeding two thousand dollars who—”

Now, I come down to two short subsections (d) and (e):

“(d) disposes of any goods, wares or merchandise by any game or mode of chance or mixed chance and skill in which the contestant or competitor pays money or other valuable consideration; or—”

The PRESIDING CHAIRMAN: Could I interrupt for just one moment. You will find that information in the first sittings of the committee last year.

The WITNESS: The reference there is to be found on page 58 of the hearing of this committee last year.

(e) induces any person to stake or hazard any money or other valuable property or thing on the result of any dice game, shell game, punch board, coin table or on the operation of any wheel of fortune:

The proviso, which is the matter I suggest specifically before the committee, follows:

Provided that the provisions of paragraphs (d) and (e) of this subsection in so far as they do not relate to any dice game, shell game, punch board or coin table, shall not apply to any agricultural fair or exhibition, or to any operator of a concession leased by any agricultural fair or exhibition board within its own grounds and operated during the period of the annual fair held on such grounds.

Therefore, as a result of the proviso which I have just read, agricultural fairs and exhibitions were granted an exemption from the results of subsections (d) and (e) subject to the exceptions that were referred to, shell games, and the like.

Hon. Mr. ASELTINE: Mr. Chairman, may I ask a question?

The PRESIDING CHAIRMAN: Just a minute, please. Are we not going to follow the same practice we followed last year which was to hear the presentation through and then give each member of the committee an opportunity to ask questions?

Hon. Mr. ASELTINE: I think this would be the proper time to ask what I was going to ask; however, if that is the rule I bow to it.

The PRESIDING CHAIRMAN: This rule was made last year in this committee.

Mr. WINCH: Mr. Chairman, I suggest that we follow the same procedure as last year.

Carried.

The WITNESS: That proviso, as I was saying, in effect grants some exemption from the impact of the two subsections (d) and (e), of section 236 of the Criminal Code.

When this came before the House of Commons, the Honourable Mr. Lapointe, the then Minister of Justice, advised that the Department of Agriculture had recommended this proviso and that the special objectionable games were excluded. Those were the games to which I just made reference which you will note are excluded by the proviso, so that the full impact of the Criminal Code, section 236, subsection (d) and (e) still run as against what were referred to then in the House of Commons as objectionable games.

It was emphasized that the proposed legislation was a necessity if agricultural exhibitions and fairs were to be financed, and we believe that it was on this basis that the proviso was enacted.

That brings me to the importance of fairs and exhibitions. The primary interest in respect to fairs and exhibitions is agriculture, of course, and it is obvious for that reason in 1925 it was the Minister of Agriculture who was quoted by the Minister of Justice as the minister who had recommended and probably urged that this exemption be given to the fairs and exhibitions.

I think it is not necessary here for me to attempt to outline to you the importance of agricultural fairs in the development and maintenance of interest in agriculture, and as a secondary matter, the stimulation of interest in industrial matters, because fairs, perhaps more particularly the ones that we know as Class A fairs and exhibitions in the larger cities have, as you know, placed in recent years quite an accent upon industry as well. But always and still the fundamental emphasis is on stimulation of interest and activity in agriculture.

The very life blood of these fairs is attendance. I am sure all of you observed the keen interest taken, for example, by the newspapers in daily attendance at fairs. Almost all local papers carry stories daily on the number of people that attended the local fair. The life blood of the exhibition business is that there will be a large attendance. By obtaining a large attendance, a large list of exhibitors can be obtained and in this way prizes can be made available for excellence in agricultural pursuits, domestic pursuits, and artistic work of all kinds.

In order to stimulate attendance at fairs, it has been found necessary to bring to the fair attractions which encourage people to attend, and this again is historical and traditional.

In the older countries of Europe, the fair days have been exciting and interesting occasions. There have always been little shows attached to them; and such shows and games have now been perpetuated in what we in this country know as the midway.

The midway in an exhibition is that portion of it which is dedicated to shows and other attractions and the games that are referred to in the proviso.

I suggest, Mr. Chairman and honourable ladies and gentlemen, that you look at this from a broad and over-all position. The fun of the fair has become traditional for these gatherings where a large number of people mainly interested in agricultural pursuits take a few days off and come to the local centre to do several things: to see what their neighbours and others are doing in terms of agricultural development; to exhibit and to hope to receive prizes for excellence in their own agricultural pursuits, domestic pursuits, and artistic

work. But also it is a time of entertainment because I think a traditional pattern for this sort of thing is for the person who comes from the rural community to the local centre is to bring along members of the family young and old to enjoy a variety of pursuits, among them the exhibition and examination of the work of other people.

This has a great educational value not only to the adult but to the young as well; but to make these visits attractive it has been found necessary and desirable to provide midway entertainment.

I think it is important—and this is referred to in the brief—that in respect of the games with which we are concerned here, Mr. W. B. Common, Director of Public Prosecutions for the Province of Ontario, stated before this committee last year, I think, that, to his knowledge, in the last fifteen or twenty years there was only one occasion when a game was closed at the Toronto Exhibition on account of dishonesty. And as you know, the Toronto Exhibition is one of the largest in the world.

Mr. Common has said—by implication at any rate—that in the main these games to which we refer are honestly operated. They are, as we all know, constantly checked by the local authorities to see that they are operated honestly and that standards are maintained. So I think the committee may take it that the exemption which has been granted and which has now been in effect for thirty years has not opened up abuses, and that the games of chance that are permitted are regulated and are decently and fairly operated. The submission which is made in this brief is in principle that the status quo be maintained; that the principle enunciated in the proviso be not departed from.

There is however one further point that we wish to make and that is the request for a clarification in the wording of the proviso, and this is in respect of the sale of advanced tickets to exhibitions and agricultural fairs. As I am sure many of you know, also for the purpose of stimulating attendance at exhibitions it has been the policy and practice of many exhibition associations to sell advance tickets at a discount and with a prize attached, or a series of prizes, designed to stimulate the sale of the tickets and to award and encourage the efforts of the ticket salesmen.

Under the provision you will notice—and I do not intend to do any hair-splitting of words—the last three words are “on such grounds”. Now, the advance sale of tickets does not, except in unusual circumstances, take place on the exhibition grounds. The advance sale necessarily takes place throughout the area in which the exhibition is held. The point has been argued, and there have been prosecutions—I do not know how many—I know of one local prosecution in respect to the sale of advanced tickets and the final decision is not too satisfactory. The basis of the charge was that the advance sale which was attacked did not take place on the exhibition ground and that therefore the salesman did not have the benefit of the proviso even if he could have brought himself within it or other grounds. We would respectfully request that when the proviso is being considered some thought might be given to clarifying the situation so that it would be made clear, as we believe it was the intention of parliament that it should be so in the first instance, that the sale of advanced tickets no matter where sold would have the benefit of the proviso.

I have not, Mr. Chairman, produced or attempted even to draft a suggested change in the wording because I felt it would not be proper to discuss detailed wording at this time, but if at a later date we could be permitted to submit a wording we, of course, would be glad to do so.

The request that we make in this brief on behalf of the Canadian Association of Exhibitions is that in principle the basic provisions of the proviso be maintained and continued as they have been for the past 30 years subject to the suggested clarification to bring clearly within the proviso the sale of advanced tickets.

Thank you, Mr. Chairman, honourable ladies and gentlemen. I will be pleased to answer any questions.

Mr. WINCH: Mr. Chairman, may I make a suggestion?

The PRESIDING CHAIRMAN: Yes.

Mr. WINCH: In view of the fact that the presentation of the honourable gentleman who has just spoken and the presentation of the Pacific National Exhibition are along similar lines I would suggest that we hear the presentation of the P.N.E. at the same time so we may ask questions.

Mr. BROWN (*Essex West*): I might state that we did not know the Western Canada Association of Exhibitions was presenting a brief. The general rule, as you know, is to submit these briefs in advance and circulate them among members. If it is your pleasure I would recommend, Mr. Chairman, that we circulate this brief now and hear the Pacific Coast exhibition group and the other group as well.

The PRESIDING CHAIRMAN: And postpone the questioning until they have all been heard?

Mr. FAIREY: Yes.

The PRESIDING CHAIRMAN: Very well.

We now have Mr. Moffit to speak on behalf of the Pacific National Exhibition. Mr. Moffit would you please state your title and position with the Pacific National Exhibition.

Mr. J. S. C. Moffitt, President, Pacific National Exhibition, called:

The WITNESS: Mr. Chairman, ladies and gentlemen, I am president of the Pacific National Exhibition in Vancouver, British Columbia.

The Pacific National Exhibition of Vancouver, British Columbia, wishes to express its appreciation of this opportunity to present its views with relation to the subject of lotteries.

While the exhibition is a member of the Canadian Association of Exhibitions which has made, or is making representations to your committee, our directors believe that an individual submission should also be made in view of the extreme importance of the subject in our planning and operation.

We are also faced with a situation of extreme urgency in respect to the 1955 exhibition and the subject matter of this presentation.

The Pacific National Exhibition, organized in 1908 and which held its first fair in 1910 as the Vancouver Exhibition, is a non-profit organization dedicated to the advancement of British Columbia industry and British Columbia people. Membership is obtained by the payment of annual fees or a lifetime membership fee. Directors, representing practically all industries and the professions, receive no remuneration and give a vast amount of their time. This is also the case with approximately 200 members of various committees. Surplus revenues of the Pacific National Exhibition, in its year round operation of facilities, are devoted exclusively to improvement and expansion of plant.

It should be noted, of course, that in common with other agricultural fairs certain financial assistance was granted in the case of buildings erected for agricultural show purposes. We are grateful for the recognition of the Canada Department of Agriculture in many ways.

Title to all lands and buildings of the Pacific National Exhibition is held by the city of Vancouver. The borrowing power of the city of Vancouver, subject to limitations due to other civic requirements such as services, is used by the exhibition in addition to its surplus funds, for expansion purposes. The exhibition, however, meets all sinking fund and interest payments. Present annual financial obligation in this respect is now approximately \$100,000 annually. Value of the Pacific National Exhibition buildings is now approximately \$7,000,000.

The Pacific National Exhibition is, and always will be an agricultural fair and is the only major exhibition of its kind in the province of British Columbia. Attendance in 1954 was 871,420 over the 11-day period and makes the Pacific National Exhibition second only to the Canadian National Exhibition in Canada, fifth largest upon the entire continent and second on the entire Pacific Coast to the Los Angeles County Fair at Pomona, California.

We have conducted an advance sale of tickets at the Pacific National Exhibition since 1925. The event is now traditional and expected by the public. It has also become an established anticipated revenue in the long range planning of the exhibition.

The advance sale offers five regular fifty-cent general admission tickets for two dollars.

Tickets are sold by agents on a commission basis. The total commission paid by the exhibition for special publicity, supervision, distribution and sale of tickets is fifteen per cent. Prizes, including automobiles and merchandise orders on exhibitors were offered in 1954 to a value of approximately \$12,000. A public drawing takes place under carefully supervised and audited control on the final night of the fair.

It has been held by the city prosecutor of Vancouver, up to this time, that the conducting of such a drawing and the staging of such an event was within the provisions of the exemptions granted agricultural fairs in the Criminal Code of Canada, which ruling remained unchallenged by the Department of the Attorney General until recently.

The honourable the Attorney General of the province of British Columbia has now ruled, however, that this interpretation is not correct. Although, we understand, that he has recommended to the committee that the law be amended to permit such sales by agricultural fairs. It will thus be seen that possible revision and clarification of the Code by your committee is of extreme importance to the Pacific National Exhibition. The fact that the establishing of agents, preparation of tickets and publicity and administrative arrangements must be completed by June 1, each year, accentuates the urgency of the situation.

The directors do not desire to burden the honourable members of your committee with extensive fiscal statistics. It is felt, however, that attention should be drawn to some figures so that a proper relation may be obtained between the returns from the advance sale of admission tickets to the revenues of the Exhibition.

Total revenue from year-round sources in 1954 was \$1,104,814.08 with total operating expenses at \$910,673.93, leaving \$194,140.15 for transfer to the surplus account. The surplus account as at September 30, 1954 was only \$323,518.24.

The year 1953 saw capital expenditure of \$1,651,829.65 including \$1,391,611.00 for a new unit of three urgently needed buildings. The sum of

\$1,000,000 was borrowed through the city of Vancouver for this expansion and the balance of all other capital expenditure was from surplus account.

Expenditures from surplus account in 1954 for plant improvement totalled \$101,745.23.

The group of three new buildings provided in 1953 includes the Manufacturers, Electrical and British Columbia buildings. The latter is open free to the public all year round and features an 80 by 76 foot relief map of the province, unique on the entire continent and which is being hailed for its educational potentiality by officials of government, industry and education. The British Columbia Building also features integrated provincial government and industrial association exhibits, a 411-seat documentary theatre and the famous Lipsett Indian collection.

The potential of the British Columbia Building insofar as education, public knowledge and tourist interest is staggering and limited only by the imagination. It was conceived and will be operated in the light of the broad public service objectives of the directors of the Pacific National Exhibition.

Annual grants to the exhibition include \$25,000 from the provincial government, \$1,500 from the federal government and, in 1954, \$18,550 from the city of Vancouver for application to maintenance costs of the exhibition grounds as a year round public park and also \$1,000 from the city of Vancouver as a contribution toward the cost of the opening day parade. These grants are sincerely appreciated and it is not our desire that reference to them should be construed in any other way. The sums are mentioned solely for the purposes of information.

The honourable members of the committee will undoubtedly find of interest a few statistics with relation to the position of the Pacific National Exhibition as an agricultural fair. There are five basic competitive departments of the fair. Operating costs of these departments in 1954 were: Horticulture, \$15,211.93; 4-H and Future Farmer Show, \$15,672.84; Livestock \$59,360.62; Poultry, \$9,978.70 and Home Arts, \$9,059.01, making a total of \$109,283.10. This total compares with \$96,286.14 in 1953 and is practically double the 1948 total of \$55,913.00. The five departments are considered as non-revenue operations in that revenues are confined to entry fees which, in 1954, totalled only \$3,800.00.

Number of 1954 exhibitors in the five competitive departments cited above totalled 1,093. It might be added that exhibitors in all competitive departments, including the Hobby and Dog and Cat shows totalled 2,004. There were, in addition, 435 commercial exhibitors.

With the above cited factors in mind, may we now review the position of the advance sale in relation to the subject of revenues vital to the exhibition if it is to continue its expansion as an agricultural fair and its work of general public service.

The following tables are set out for your information:

ADVANCE SALE REVENUES, EXPENDITURES AND COST PERCENTAGES

Year	Gross Revenue	Net Revenue	Commissions	Other Cost including Prizes	Total Expense	Costs by Percentage of gross revenue
1949	\$114,069.00	\$ 86,318.88	\$17,110.35	\$10,639.77	\$27,750.12	24.3%
1950	131,458.00	99,709.88	19,718.70	12,029.42	31,748.12	24.2%
1951	153,117.35	117,594.18	22,967.60	12,555.57	35,523.17	23.2%
1952	172,324.00	133,037.50	25,848.60	13,427.90	39,286.50	22.8%
1953	215,026.00	168,522.11	32,253.90	14,249.99	46,503.89	21.6%
1954	217,756.00	169,321.52	32,664.90	15,769.58	48,434.48	22.2%

RELATION OF ADMISSION AND CONCESSION REVENUES TO
OVERALL FAIR REVENUES

Year	Admission Revenue Including Advance Sale	Concession Revenues	Overall Revenue of Fair
1949	\$214,321.78	\$ 80,014.62	\$410,163.30
1950	224,116.25	89,946.57	415,430.18
1951	245,275.35	128,962.91	561,603.90
1952	269,751.75	144,501.94	638,145.82
1953	310,553.30	169,933.76	767,114.77
1954	310,690.50	172,870.59	789,228.13

It is hoped that the above tables will illustrate the relationship of the advance sale campaign and concessions to the vitally important revenues of the Pacific National Exhibition and make plain the concern of the directors over the jeopardy in which these revenue factors are presently placed.

The submission is also made that the Pacific National Exhibition makes every effort to hold its costs of the advance sale campaign to a bare minimum. This will be seen in the first table which shows the percentage of cost in relation to gross revenue.

It is also submitted that the above tables and the continually increasing attendance to the 1954 record of 871,420 reflect steady progress and the confidence of the people of British Columbia in the Pacific National Exhibition. This, in turn, must reflect the confidence of the exhibitors, both commercial and competitive, in the value of the fair to the economy of the province. The honourable members of the committee will readily see that the expanding public interest must be met by an equivalent expansion of facilities requiring additional funds. It is the fervent desire of the directors of the Pacific National Exhibition that such expansion will be accomplished as much as possible with regard to the surplus account of the fair.

Might it be stated at this time that the livestock facilities of the Pacific National Exhibition are overcrowded and that since 1948 the exhibition has been planning the construction of a coliseum, seating 10,000 persons, which can be used, during the fair, for judging and horse show purposes, thus relieving present overcrowding by utilizing present show rings for stall space.

The need for such a coliseum is urgent. Financing has been delayed owing to restriction of the further use of civic borrowing power at this time because of the urgent demands upon civic finance for essential services such as sewers, etc.

A considerable degree of urgency is also present with regard to two other planned Pacific National Exhibition structures, dormitory and associated facilities for the young people attending the 4-H and future farmer show and an administration building to replace that presently used and which is a frame structure originally used as an exhibit building for the first fair in 1910.

Extensive expenditures will also have to be made for the improvement of empire stadium which was built by the city of Vancouver and the British Empire Games committee and turned over to the Pacific National Exhibition. The exhibition is committed to these improvements deleted during the course of building owing to costs exceeding estimates.

While the advance sale campaign of the exhibition is now technically considered by the Honourable the Attorney General of the province of British Columbia as a "lottery" within the strict interpretation of the Criminal Code there are several factors which must be taken into consideration and which greatly minimize such strict interpretation.

It is absolutely impossible for fairs of the magnitude of the Pacific National Exhibition to economically obtain "rain insurance." An advance sale campaign such as is conducted by the Pacific National Exhibition is the one and only safeguard against possible loss due to weather effect upon admissions. May we, with respect, remind the honourable members of the committee of the percentage of advance sale admissions with relation to total admissions. The Pacific National Exhibition has been fortunate in the past with regard to weather. In view of the important relationship of admission revenues to overall revenues, however, it is imperative that a protective buffer of some description shall be afforded if the exhibition is to remain in a financial position to accomplish its public service objectives.

The further submission is made that the Pacific National Exhibition, by reason of its composition and organization, as well as its position in the public confidence, can be entrusted to administer such an advance sale campaign with every public safeguard.

Stress should be laid upon the fact that admission tickets sold at the gates of the exhibition are not sold at a reduced price and are not eligible for participation in the prize draw also that the sale of advance sale tickets ceases at midnight of the day preceding the opening of the exhibition.

As heretofore mentioned earlier in this brief, the advance sale tickets are offered at a price of five for two dollars as opposed to the straight gate admission price of fifty cents each. The advance sale is not, in the strict sense, wholly a draw for a prize. The ticket has a distinct bargain value.

The facilities of the Pacific National Exhibition have been used by the dominion of Canada in the wars of 1914-18 and 1939-46. The ever expanding facilities would, of course, again be available to federal authority in the event of a national emergency. The new unit of three buildings with its relief map of British Columbia, and parts of surrounding provinces, territories and states as well as adjacent waters would, of course, be of particular value.

It is the hope of the Pacific National Exhibition that the deliberations of the committee will result in favourable clarification of the legality of an advance sale, with a prize drawing, by a recognized agricultural fair, subject to guarantees of strict control as to promotional expense. Such a clarification would most certainly be appreciated by all recognized agricultural fairs in Canada and the host of public service minded citizens who voluntarily conduct them.

We, along with other agricultural fairs, also hope that no changes will be made in the Criminal Code of Canada which would remove any of the legitimate benefits now enjoyed by the fairs so far as games of chance on the carnival lots, within fairgrounds, are concerned.

It is our desire, just as it is surely that of the honourable members of this committee, that provisions of the Criminal Code in respect to carnival games shall emphasize control of the type and operation in order to assure maximum protection for the public.

The Pacific National Exhibition is proud of its exemplary record in that respect. Through experience over the years and a realization of public responsibility, we have banned some games which are permitted under the provisions of the Criminal Code. We might add that there are one or two others, considered illegal, which are, in our opinion, deserving of reconsideration on the basis of fairness and fair return to the player.

May we be permitted to re-iterate our hope that your deliberations will not curtail the operations in advance sales and carnival games productive of vitally necessary funds to carry on the progressive and nation building objectives of Canada's recognized agricultural fairs.

The Pacific National Exhibition wishes to thank the chairman and honourable members of this committee for the privilege of placing these facts before you for your consideration.

Now, Mr. Chairman, while this brief applies to fairs that are within the organization there are a number of fairs in British Columbia which are not in the association and the same conditions apply to them. Thank you.

The PRESIDING CHAIRMAN: We have a brief from the Western Canadian Association of Exhibitions. I understand that Mr. S. MacEachern is going to present that brief.

Mr. Steven MacEachern, Manager, Saskatoon Exhibition and President of the Canadian Association of Exhibitions, called:

The WITNESS: Mr. Chairman, ladies and gentlemen. My name is S. MacEachern, and I am the manager of the Saskatoon Exhibition and also president of the Canadian Association of Exhibitions and as such was a member of the delegation that supported Mr. MacTavish in his brief. I am also past president of the Western Canada Association of Exhibitions and as such I was asked to present a short brief which was intended to supplement the brief which Mr. MacTavish read earlier and which, in fact, should have been made a part of it, but apparently it was overlooked in some way. I would beg your indulgence to quote briefly from the presentation of the Western Canada Association of Exhibitions.

Since 1925 agricultural exhibitions have been granted certain exemptions under the Criminal Code with respect to games of chance. These exemptions were granted to enable exhibitions to obtain much needed revenue—revenue which has now become an essential and important part of exhibition operations.

The Western Canada Association of Exhibitions, comprising fairs at Brandon, Calgary, Edmonton, Saskatoon and Regina herewith earnestly request that the exemptions now enjoyed by agricultural exhibitions be continued.

The five western class "A" fairs received last year revenue amounting to \$122,000, from games of chance permitted under the Code. The total for the last five years was \$360,000. This revenue has contributed much to the successful operation of our exhibitions. It has been used to improve our plants and assist in paying prize money and other expenses associated particularly with the agricultural phases of our fairs. If it were not for this revenue many exhibitions over the years would have found it difficult to operate and some, particularly during the depression years, might not have been able to operate at all.

It is not necessary to justify the existence of exhibitions, as the part they play in the life of the community and of the area in which they serve is well known to all Canadian citizens. That the western "A" circuit of exhibitions enters vitally into the lives of those people residing in the three prairie provinces is indicated by the total annual attendance. This attendance in 1953 totalled 1,150,000. A large percentage of this attendance is made up of rural folk who make the annual exhibition a family holiday and who look to exhibitions to provide them with much of an educational nature. People who attend exhibitions expect to see on display and demonstrated the latest and most modern products and procedures developed in the field of industry and science. One has only to walk through the area where the latest farm machinery is on display and under demonstration to realize how important exhibitions are to farmers. If we add to this the activity in the livestock show ring and the

products on display in the dairy, horticultural, field husbandry and other agricultural departments, we begin to realize why farm people swarm in such large numbers to our fairs.

However, in addition to the desire to see what is new and of an educational nature, people come to exhibitions to be entertained. Sometimes exhibitions are criticized on the ground that they are becoming too entertainment-conscious, that carnival midways and grandstand attractions, etc., are replacing the purely agricultural phases of exhibition work. One exhibition a few years ago took heed of this criticism and decided to do away with platform attractions and midway with disastrous results. Attendance dropped tragically and the financial statement showed an unhealthy deficit. The following year the entertainment features were brought back with the result that this particular Fair had the most successful year in its history. This goes to prove that exhibition patrons want to be entertained and nowhere is this more true than on the prairie where, because of distances from large metropolitan centres it is generally not possible for people to see top entertainment talent except at exhibition time.

There is another reason why exhibitions cannot afford to overlook the entertainment features of their operations. The revenue obtained through entertainment enables exhibitions to stage at summer fair time and throughout the year many agricultural activities which are not in themselves revenue producing. It is a fallacy to think that exhibitions function only for one week in the year. The fairs making up the western "A" circuit conduct during the year, and exclusive of the summer exhibitions, forty agricultural shows. These include livestock and livestock products of all kinds, poultry, grain and dairy products. Prize money for these shows totals \$48,000. They also carry on an extensive educational program for 4-H clubs and junior farmers. The cost of providing this program last year was \$22,000. Without the revenue we get from our summer exhibitions this program would be quite impossible. Any curtailment, therefore, of our summer fair revenue would in turn curtail our year-round activities. The alternative would be to request larger grants from the provincial and dominion departments of agriculture.

Coming back to our summer fairs, and in order to emphasize that the agricultural side is not being overlooked we would draw to your attention that in 1953 the total of all competitive agricultural exhibits at the class "A" fairs in western Canada was 12,000. In addition, 25,000 entries were made in such departments as cooking, sewing, handicraft, school work and fine arts. Winners in these competitions collected prize money totalling \$100,000.

It is impossible in the brief statement given here to outline fully the importance of each of the departments which go to make up a fair but we think you will appreciate from what has been said that revenue is very essential. Nothing has been said here about the cost of maintenance of plants, which now represent a value of \$20,000,000. Without revenue to take care of maintenance these plants would soon deteriorate and the investments in them would eventually be lost.

By Hon. Mrs. Hodges:

Q. Might I ask what you mean by that?—A. I mean Class A fairs in western Canada.

Q. Which province?—A. We refer to the three prairie provinces.

Q. Not the whole of western Canada?—A. No.

Q. Not the real west?—A. No.

Mr. BROWN (*Essex West*): No advertising allowed!

The PRESIDING CHAIRMAN: I thought that was a build-up for something.

The WITNESS: Exhibitions are community endeavors which can only be undertaken successfully with a tremendous amount of voluntary help. The class "A" Western Circuit enlists the voluntary help of 1,000 men and women. These give freely of their time and talents not only during the week of the summer exhibition but also in connection with committee work and the other projects undertaken by exhibitions throughout the year.

The western fairs keep a strict supervision on operations permitted under the Code to be carried on on our grounds during exhibition time. We take the utmost care to prevent infractions of the privileges granted to us. Such infractions have been very infrequent in recent years but when any do occur they are dealt with very severely.

In conclusion, may we trust that nothing will be done by your committee to take away from exhibitions the exemptions which they now enjoy.

Respectfully submitted on behalf of the Western Canada Association of Exhibitions.

Mr. BROWN (*Essex West*): Mr. Chairman, before we proceed with the questioning, may I move that these three briefs be accepted and incorporated into the evidence?

The PRESIDING CHAIRMAN: All those in favour?
Carried.

Mr. BROWN (*Essex West*): And that would include the full brief of Pacific National Exhibition.

The PRESIDING CHAIRMAN: Now, Mr. MacTavish, Mr. Moffitt and Mr. MacEachern, will you please come forward and we will see what you have to face in the way of questions from the committee. And I think, in order to be a little different today we shall start from the left. Mr. Boisvert?

Mr. BOISVERT: I have no questions, Mr. Chairman.

The PRESIDING CHAIRMAN: Mr. Mitchell?

Mr. MITCHELL (*London*): I wonder if Mr. MacTavish would say that subsection (b) of section 226 of the Criminal Code is also a stumbling block in the way of the advance sale of tickets?

Mr. MACTAVISH: I do, sir. I believe it may be.

Mr. MITCHELL (*London*): Was that your reference to the words "on such ground" in the exclusion clause, which would cover the whole problem?

Mr. MACTAVISH: No. Perhaps I did not put that too happily. I was illustrating the one case which occurred and it was on the words "on such ground". We encountered difficulty but I think further clarification of the section would be desirable.

Mr. FAIREY: What does the section say?

Mr. MACTAVISH: Subsection (b) reads as follows:
Sec. 236.

Everyone is guilty of an indictable offence and liable to two years' imprisonment and to a fine not exceeding two thousand dollars who...

(b) sells, barter, exchanges or otherwise disposes of, or causes or procures, or aids or assists in, the sale, barter, exchange or other disposal of, or offers for sale, barter or exchange, any lot, card, ticket or other means or device for advancing, lending, giving, selling or otherwise disposing of any property, by lots, tickets or any mode of chance whatsoever.

Mr. BROWN (*Essex West*): I might say, Mr. Chairman, that this is to be found on page 58 of the Minutes of Proceedings and Evidence of 1954.

Mr. FAIREY: Thank you!

Mr. MITCHELL (*London*): There was some reference made I think in Mr. Moffitt's statement to the exclusion of certain games other than those which are referred to in the subsection, in the exclusion clause. Might I ask what action is taken by an association such as the Pacific National Exhibition when any complaints are made?

Mr. MOFFITT: Mr. Chairman, just in case there might be some questions asked, I brought along our general manager, Mr. Williams, and I shall ask him, with your permission, if he would be good enough to answer this question.

Mr. WILLIAMS: Mr. Chairman, I think I can answer the question in so far as the Pacific National Exhibition is concerned. I believe the same policy was adopted by all the other fairs that I know of. There are certain games about which we have had complaints, but not in recent years. In the early start after the war, there was a type of game where the operator had all the skill and the customer took all the chances. They were not, in our opinion, fair to our customers and we have closed up that type of game and we will not permit them on the grounds at all. However, I think that police departments in their reading of the Act have found no reason why they should be banned. I refer to the type of game where they roll down marbles which go into certain numbered slots. That is a type of game in which many people have lost fairly sizeable amounts of money.

I think we found that in most fairs the so-called roll down games are now banned. And of course there are games which can be interpreted as "coin" tables which are banned under the Act. Simply a game of throwing a dime and trying to hit a number would be primarily a game of skill, and I suppose that the interpretation of the Act would ban that type of game although in our opinion that would be far less disastrous to the customer than the type of game we just described.

Mr. MITCHELL (*London*): I presume those games are operated upon a concession basis by one operator who goes from fair to fair, so that the experience you mentioned would be standard in most fairs across the country.

Mr. WILLIAMS: Except that in the case of the Pacific National Exhibition we cannot get the larger carnivals to come out. Therefore we have to build up our midway from a number of different organizations. We are in a slightly different position to the western Canada circuit because they have five large fairs in the circuit, following each other for five consecutive days and can get the biggest carnival on the continent. We are in a far different geographical area and we have to build on a different basis.

Mr. MITCHELL (*London*): Perhaps in order to make it representative I should ask Mr. Jackson this question, as he is general manager of the western fair: what, if any, problems they have met with in this kind of game and what has happened in the event of complaints?

Mr. JACKSON: Mr. Chairman, ladies and gentlemen: in the operation of the games on the midway there is an exclusive contract with the midway operator. In our contract we stipulate, following what Mr. Williams has said, certain exclusions which we do not allow the carnival operator to conduct on the grounds. They are not to conduct or permit to be conducted at any—or in connection with any—of the side shows, any controlled games or any of the following games or devices: dice, crown and anchor, shell, roll-down, bucket, 3 card monte, disc, swinging ball, punch board, coin tables, money wheels or coin machines. Those are all excluded from our contract on the midway. In the matter of complaints, we have had no complaints since we opened after the war in 1948 in connection with our operation on the midway, in any way. In the early 1930's we had some problems and the method of

dealing with those problems was this: when somebody was deliberately lifted of money, providing the man who was done out of his money would come to us and show us the man who had taken the money from him, we received the money back, paid the man who had been cheated, closed the game and the customs and immigration people saw that that man was across the border. I do not recall a prosecution that we have dealt with in that manner that gave us any unfavourable publicity and this is the surest method we could find, close him up and move him out.

Mr. MONTGOMERY: I would like to ask a question of Mr. Moffitt about the advance sale of tickets. How are they distinguishable from the tickets sold at the gate?

Mr. MOFFITT: They are in the form of a card, a strip. On that are the five tickets which you can tear off.

Mr. FAIREY: A perforated card?

Mr. MOFFITT: Yes. A different type of ticket entirely to the ticket of admission purchased at the gate. On the back of that ticket the purchaser writes his name and address.

Mr. MONTGOMERY: As I understand from your brief those tickets must be turned in at the gate by the individual who bought them and they are put into a box and the prizes are awarded from the drawing of that ticket or the stub of that ticket.

Mr. MOFFITT: They are drawn from those tickets put into the turnstiles.

Mr. MONTGOMERY: There are no stubs attached?

Mr. MOFFITT: No.

Mr. MONTGOMERY: So a person who buys that ticket and does not go to the fair or turn his ticket in through somebody else has no share in the prizes?

Mr. MOFFITT: That is so.

Hon. Mrs. HODGES: Am I right in understanding that unless a person who is named on the back presents the ticket it is not valid?

The PRESIDING CHAIRMAN: No. Any person may present the ticket and any name may be written on the back of it.

Hon. Mrs. HODGES: You do not have to identify yourself at the gate?

Mr. MOFFITT: No.

Mr. MONTGOMERY: I could buy a book of five tickets and send them in with a friend of mine who will put them in the box?

Mr. MOFFITT: Yes. You retain the stub.

Mr. MONTGOMERY: There is a stub?

Mr. MOFFITT: Yes. You write your name on the back of each one of these tickets. If you wish the person to whom you gave them to participate then you write his name on it.

Mr. MONTGOMERY: Does the person whose ticket is drawn have to pay any extra money to obtain the prize?

Mr. MOFFITT: None whatsoever.

Mr. MONTGOMERY: I would like to ask Mr. MacTavish a question. In item 8 on the first page of your brief it says:

"Total number of agricultural exhibitors receiving prize money 54,427."

That refers to only the agricultural exhibitors who receive prizes. Does that include any in industry?

Mr. MACTAVISH: These prizes—overall generally, as pointed out by Mr. MacEachern—include agriculture, domestic arts so to speak, science and artistic works of all kinds.

Mr. MONTGOMERY: That is an overall figure?

Mr. MOFFITT: Yes.

Mr. MONTGOMERY: Do you know what percentage of that went to actual firms?

Mr. MOFFITT: No. We do not have a breakdown of that. I will try to obtain that for you.

Mr. MACEachern: The largest part of the total would go to agriculture.

Miss BENNETT: I take it that these gentlemen wish to deal in particular with advance sale of tickets, not these other matters. What benefits would you have if the law were changed to cover the instances to which you have referred? What benefit will it be to you and how will it help you to function better?

Mr. MOFFITT: Last year our advance sale amounted to \$217,000. If it so came about that we could not hold an advance sale of tickets that would be a distinct loss. It would not be a 100 per cent loss because we do get admissions, but we would be rather fearful of the loss we might entail through not having an advance sale of tickets. It is the only means by which we can get rain insurance. We call it "rain insurance" more than anything else. To put on rain insurance would be fantastic; we could not afford it.

Miss BENNETT: To what degree have the various provinces questioned your right to do this; have there been any cases on it?

Mr. MOFFITT: The only question we have had is from our own attorney general.

The PRESIDING CHAIRMAN: In British Columbia?

Mr. MOFFITT: Yes.

Mr. MACTAVISH: We had a prosecution here in Ottawa. It is the only one we know of having taken place.

Mr. BROWN (*Essex West*): Miss Bennett asked the question as to whether we are dealing with all phases of lotteries. So far as this committee is concerned we deal with the broad subject of lotteries, and any other question with respect to any phase of lotteries which can be answered by these witnesses I think would be in order.

The PRESIDING CHAIRMAN: What Miss Bennett was referring to is that what these gentlemen are seeking is some statement or clarification of the law in relation to the advance sale of tickets. Actually, Mr. Moffitt, what you want is that the law be so clarified that it would sanction what you have been doing.

Mr. MOFFITT: Yes.

Mr. MONTGOMERY: I take it that he is only asking for it in connection with agricultural exhibitions.

Mr. MOFFITT: Yes.

The PRESIDING CHAIRMAN: Yes.

Mr. WINCH: Mr. Chairman, what has been said just previously gives rise to a question in my mind, and a particular question, because I happen to come from the city of Vancouver. In the brief of the P.N.E. it emphasizes the importance of the advance sale of tickets which I note in 1954 was approximately 25 per cent of the exhibition's revenue. Now, in view of the fact that it will be at least the latter part of this session before this committee can bring in any other recommendations as regards lotteries or advance sales, am I correct in what I think is a worry in the minds of the P.N.E. as regards the situation this year? I think it is quite obvious, Mr. Chairman, that if there is a vital concern about the financial position of this year's exhibition in

British Columbia they require to have some expression from us or some view as to the position of this committee. This is still part of the question, as I have to explain it. The P.N.E. is now up against a tough proposition in view of the fact that it has already been challenged by the attorney general's department of the province of British Columbia. Could I ask this specific question of Mr. Moffitt? Your general principle is outlined in your submission on the question of the advance sale of tickets. Are you also asking for some expression of opinion or for some consideration as to the status of your financial policy in this regard in this year of 1955?

Mr. BROWN (*Essex West*): Could I interrupt here to say that we should not make a report to the House as to our views before we have heard the evidence.

Mr. WINCH: No, I am not asking that, because it is not in this brief. In view of the importance of this 25 per cent advance sale—perhaps I could revise my question. What is your position this year in view of what you have been told by the attorney general's department of British Columbia?

Mr. MOFFITT: Our position today is that we cannot go ahead with an advance sale of tickets. If it is in the power of this committee to clarify that situation for us, we would be delighted, but it is something that I cannot answer and we are in your hands. If you can help us we would be delighted, but as it is now we cannot go ahead with an advance sale of tickets under the interpretation of the Code, as it is today, by Mr. Bonner in the province of British Columbia.

Mr. BROWN (*Essex West*): Could I ask a question here? Did you not forward a brief last year to this committee?

Mr. MOFFITT: Yes, but I think parliament prorogued before we were called to present it.

Mr. BROWN (*Essex West*): You forwarded a brief?

Mr. MOFFITT: Yes.

Mr. BROWN (*Essex West*): Was this same contention not in your brief last year?

Mr. MOFFITT: Yes.

Mr. BROWN (*Essex West*): And you did operate last year?

Mr. MOFFITT: That is so.

Mr. BROWN (*Essex West*): Would it not be better to operate in the same way this year than to have us make a prejudgment without having heard all the evidence?

Mr. MOFFITT: We had a chance last year, but we have run out of chances now. I think he said that we would have to have something definite before going ahead.

Mr. WILLIAMS: Mr. Chairman, if I may add this, I have a letter from the Attorney General of British Columbia in which he indicates that he cannot give his permission this year. He did last year, because we did make the plea that a brief was being submitted. We had been carrying on for so many years and let us have that privilege last year, but he has advised us officially that the city prosecutor's office has been instructed to prosecute if we do it this year. He tells me in his letter that he was written to this committee, and I quote from the letter, which I believe you already have on record:

With regard to the suggestion of additional provisions in respect of lotteries conducted at or in connection with agricultural fairs and

exhibitions, it is suggested that the law be amended to allow agricultural fairs or exhibitions to sell in advance off the fair grounds lottery tickets in conjunction with admission tickets to the fair.

Part of this problem, I think, arose from the fact that he enforces what he believes to be the law with other agricultural fairs in British Columbia, and he let the Pacific National Exhibition proceed with the sale last year. Of course, he is in a very difficult position in trying to differentiate how the law applies to all the fairs in British Columbia.

The PRESIDING CHAIRMAN: You are in the position that you have been forgiven for the last time.

Mr. BROWN (*Essex West*): Could we ask that this letter be filed with the committee?

Mr. WILLIAMS: What I read was filed. It was written to this committee on May 20, 1954.

Mr. BROWN (*Essex West*): Is that a letter from Mr. Bonner?

Mr. WILLIAMS: That is his letter of May 20, 1954.

Mr. BROWN (*Essex West*): I suggest that the letter from Mr. Bonner be presented to the committee.

The PRESIDING CHAIRMAN: I think that it was filed in the evidence.

Mr. BLAIR: While we are pursuing this matter: As I understand it, all references to this question were withdrawn at the end of last year when it was found that the committee would not have time to hear the exhibition association. It might be helpful to the committee to have this correspondence attached as an appendix to this day's proceedings.

The PRESIDING CHAIRMAN: Can you furnish us with a copy of it?

Mr. WILLIAMS: A copy of the letter I received from Mr. Bonner?

The PRESIDING CHAIRMAN: Yes.

Mr. WILLIAMS: Yes. (*See appendix.*)

Mr. WINCH: Could I ask Mr. Williams whether my interpretation is correct that in 1954 the Attorney General of British Columbia allowed you to proceed on the basis that representations were being made to this joint committee and it was expected that a report would be made? Am I correct in that?

Mr. WILLIAMS: Basically, I believe, that is true. He decided he would not prosecute—

Mr. WINCH: In view of the fact that this committee did not make a report at the conclusion of the last session and has been reappointed at this present session to make the same study under the same terms of reference, has the P.N.E. made any application to Mr. Bonner that the principle which he outlined in 1954 be carried forward in 1955, until such time as this committee is in a position to make a report?

Mr. WILLIAMS: Yes, we did.

Mr. WINCH: Then may I ask what is the answer you have received from the Attorney General of British Columbia?

Mr. WILLIAMS: No change in his present interpretation of the law.

The PRESIDING CHAIRMAN: As he put it to me, they have been forgiven for the last time by Mr. Bonner.

Mr. WILLIAMS: Other attorneys general apparently do not interpret it in the same way, because other fairs in other provinces are selling the tickets.

Mr. WINCH: I would like to see the attorney general await the findings of this committee and carry on as usual.

Hon. Mr. GARSON: Have you had any advice from your own solicitor at all?

Mr. WILLIAMS: Our own solicitor advised us that it is a moot point. Apparently part of it depends upon a comma and an "or" in section 236. I think it is the exclusion clause. In some interpretations the final section dealing with concession operators refers particularly to having these exemptions on the fair grounds at the time of the fair, whereas the clause before it talks about exemption of the exhibition and does not limit that interpretation to "on the fair grounds at the time of the fair". It becomes a moot legal point which, of course, I cannot discuss. Legal opinions do differ on the interpretation.

Mr. FAIREY: Most of the questions I had in mind have been answered. It appears that the nub of this whole question is that the revenues derived from the advance sale of tickets form such a large proportion of the total revenues that you cannot carry on without them, and therefore you want this clarified?

Mr. MOFFITT: Yes.

Mr. FAIREY: Have you ever thought of submitting this question to the courts? You are selling advance admission tickets to an exhibition at a discount of 20 per cent. I am wondering if we ever buy admission tickets anywhere on the premises. You buy advance tickets to the theatre and you buy advance tickets to a fair. You have to be off the premises when you buy them or you would not be admitted. What is the objection of the attorney general, that there is a lottery attached to it?

Mr. MOFFITT: That is right.

Mr. FAIREY: I am not a lawyer, but one of you lawyers might give me an answer. When does an admission ticket become a lottery ticket? Only when you present it?

The PRESIDING CHAIRMAN: When you present it and it goes in the box.

Mr. FAIREY: Therefore you are not selling a lottery ticket, you are selling an admission ticket?

The PRESIDING CHAIRMAN: I do not think they are asking us for a legal opinion, Mr. Fairey.

Mr. FAIREY: No, but I am asking you this: what if they ever decide to make a test case of the interpretation given by the Attorney General of British Columbia?

Hon. Mr. GARSON: Is the position not this, that the probable view that would be taken by the attorney general is that if he is going to enforce the regulation he would like to see it tightened up and the people who are going to act under it would like to see it loosened up and therefore both want it amended.

Mr. FAIREY: Of course, they realize this committee is passing on what we are going to do with lotteries in general. What will you do if we decide to abolish lotteries per se?

The PRESIDING CHAIRMAN: That would dissolve the question.
Senator Aseltine?

Mr. WINCH: Could I follow that up with a question?

Hon. Mr. ASELTINE: The question which I tried to ask a while ago had to do with the meaning of this proviso. I was going to ask Mr. MacTavish if in the prosecution he mentioned it was held that the words at the end of the section "held on the grounds" applied to agricultural fairs and exhibitions or only to concessionaires?

Mr. MACTAVISH: As I understand it, Senator, that was not the grounds of the decision. I was not in the case and it is not a reported case and it has only been reported verbally to me, but I understand in the Ottawa case, as we call it, there was no question of agricultural fairs and exhibitions involved. That was clear. The question turned on the interpretation, I think very much

in line with what the solicitor for the P.N.E. had in mind, with the construction of these words: "Within its own grounds and on such grounds."

Hon. Mr. ASELTINE: I think we should have the opinion of the law officers of the Crown on the meaning of that proviso.

The PRESIDING CHAIRMAN: That is something we can discuss in the committee at some other time. At the moment we are engaged in asking questions.

Hon. Mr. ASELTINE: Yes, I understand.

Mr. BROWN (*Essex West*): On page 803 of the evidence of this committee last year you will find the recommendation of the British Columbia government.

The PRESIDING CHAIRMAN: That is in terms of what Mr. Williams said today. Any other question, Senator Aseltine?

Hon. Mr. ASELTINE: No.

The PRESIDING CHAIRMAN: Senator Fergusson?

Hon. Mrs. FERGUSSON: No.

The PRESIDING CHAIRMAN: Senator Hodges?

Hon. Mrs. HODGES: My question has been answered, but there is one thing I would like to know. Is the Attorney General of British Columbia the only one who has ever challenged this sale of tickets in advance?

Mr. MAC TAVISH: There is the Ottawa case.

Hon. Mrs. HODGES: Was it instituted by the Attorney General of Ontario?

Mr. MAC TAVISH: It was a local prosecution by the Crown Attorney.

Hon. Mrs. HODGES: It was not instituted by the Attorney General?

Mr. MAC TAVISH: Not so far as I know.

Hon. Mrs. HODGES: May we take it that all the other attorneys general in Canada are of the opinion that this does not come within the scope—

The PRESIDING CHAIRMAN: No, I do not think we can draw any such conclusion.

Hon. Mrs. HODGES: I am asking you that question as a lawyer.

The PRESIDING CHAIRMAN: The only conclusion we can draw is that they have not seen fit to intervene.

Mr. BLAIR: Mr. W. B. Common, the director of public prosecutions for Ontario, last year expressed an opinion, as I remember it, that an advance sale of tickets was illegal as they interpreted the law in this province.

Mr. WINCH: They also said it was not being enforced.

The PRESIDING CHAIRMAN: That is why I said what I did about not intervening.

Mr. FAIREY: Is the Canadian National Exhibition a member of this association?

Mr. MAC TAVISH: Yes.

Mr. FAIREY: Do they use this principle?

Mr. MAC TAVISH: I do not believe so, no; nor does the Central Canada Exhibition.

Mr. WINCH: Do they give any prizes at the exhibition at all?

Mr. MAC TAVISH: Not at the exhibition here. I do not know about the Toronto exhibition, but I do not think so because it is just turnstile payment at both exhibitions.

Hon. Mrs. HODGES: They have a much larger population to draw from. There is a larger concentration of population and the two cases are not analogous.

Mr. BOISVERT: May I ask a question of Mr. Moffitt?

The PRESIDING CHAIRMAN: Yes.

Mr. BOISVERT: Mr. Moffitt, could you tell me what is the amount of revenue derived from the operation of a midway in a fair like yours in Vancouver?

Mr. MOFFITT: I will just get that in a moment, sir. We call it a "gay way" in Vancouver, not a midway.

Mr. MACTAVISH: It is a better word for it.

The PRESIDING CHAIRMAN: Surely.

Mr. WILLIAMS: Last year under general concessions, which included the games of chance and eating places and so on, we derived \$121,286.17; rides and shows, \$34,397.83; Pacific Coast Amusement Company, which operates a permanent ride set up on our grounds, \$14,998.15 and sundry, \$2,188.44, or a total of \$172,870.59.

Mr. BOISVERT: Thank you.

Mr. WINCH: Could I ask a question?

The PRESIDING CHAIRMAN: Mr. Brown has not had an opportunity to ask questions at yet.

Mr. BROWN (*Essex West*): I will follow Mr. Winch.

Mr. WINCH: Thank you. I want to ask a question while Mr. Williams is on his feet. My question is based on the advance sale which in 1954 amounted to \$217,756 and I notice that if we take the commissions and the cost of prizes from that, it amounts to \$48,434.48. Am I correct in assuming that because of the unpredictable weather conditions in British Columbia, and in the city of Vancouver in particular, and in view of the fact that you cannot get any rain insurance except at a prohibitive cost, that you consider the \$48,434.48 as rain insurance on 25 per cent of your income?

Mr. WILLIAMS: That is quite right.

Mr. WINCH: And you consider that it is reasonable?

Mr. WILLIAMS: Very reasonable. Actually, it has even more value to us than just the actual dollars and cents derived from the sale of tickets. It also gives us an opportunity of advertising the exhibition prior to the opening date which we would have to replace with an expenditure to make sure that the people in British Columbia knew about it.

The PRESIDING CHAIRMAN: There is another factor, is there not? It brings to the grounds people who are attracted by the possibility of winning a prize who might not otherwise come and they might spend money there?

Mr. WILLIAMS: Yes.

Mr. WINCH: I have one further question. If you did take out rain insurance, what would it cost you on premium?

Mr. WILLIAMS: I have not had a recent figure but some years ago when it was considered I was given a figure which ran into many thousands of dollars and I think I can safely say that it would be a very exorbitant rate.

Mr. WINCH: In comparison with the \$48,434.48?

Mr. WILLIAMS: Yes.

Mr. WINCH: Would it be double? Can you give us some idea?

Mr. WILLIAMS: I do not think I could give you a very definite answer.

Mr. WINCH: But it would be heavier than this?

Mr. WILLIAMS: I believe that in order to get proper rain insurance so that we could get the revenue we are getting now it would be heavier than that.

Of course, it is a complicated matter of insurance premiums depending on the amount of the policy, how much rain you will have, how much rain you will have fall at a certain time, and the rates will vary according to what you want.

Mr. WINCH: And after all your years of experience in this business you feel that this is the best method?

Mr. WILLIAMS: This has other advantages aside from the rain insurance. There was one question asked, Mr. Chairman, concerning what we would lose. It is difficult to answer that question. Mr. Jackson of the London Fair told us that their attendance increased in spite of bad weather by 30 per cent when they instituted a "rain insurance" by way of an advance sale.

Mr. JACKSON: The figures would be for last year when we had six days of rain out of six days of show; and we increased our attendance over the previous year by thirty-five to thirty-seven thousand.

Hon. Mrs. HODGES: By means of the advance sale of tickets?

Mr. JACKSON: Very largely by means of the advance sale of tickets.

Hon. Mr. GARSON: Assuming that you could get rain insurance, have you ever made any calculation as to what this present device costs you, to sell groups of tickets in advance, at a lower return to you of about 20 per cent lower return on your advance sales in those cases in which there advance tickets are used.

Mr. JACKSON: No, I have not tried to figure that out.

Hon. Mr. GARSON: You just assumed that you could not get economical rain insurance rates and so you have developed this type of substitute for it?

Mr. JACKSON: Yes.

Hon. Mr. GARSON: I suppose you would contend, even with the inducements that you give in connection with the advance sales, that you get your insurance on a practically costless basis?

Mr. JACKSON: Exactly.

Hon. Mr. GARSON: You would argue that you got your insurance for nothing, and you have an advantage on top of that?

Mr. WILLIAMS: Yes. People would come out even though it did rain; and even in Vancouver we do get a little rain once in awhile. People will come out because they have bought their tickets ahead of time. This not only gives us the gate admission but those people will spend money at restaurants on the grounds and on games and on the midway, and they will go to see the exhibits. Thus we will be performing the job we are supposed to do.

Hon. Mr. GARSON: You think the whole device would collapse if you could not operate a lottery in connection with it?

Mr. WILLIAMS: I would not go so far as to say that it would collapse. When you have an advance sale of tickets, the people can get them at a lower rate and there is the prospect of winning a prize. Maybe you could go to individuals and sell them tickets ahead of time, because they are going to get them at a reduced price—but I do not think we would have as much success in getting salesmen to go out on the streets to sell them as when they can say to the people that they are not only getting an admission at a reduced price, but they are also having an opportunity to win a free car.

Hon. Mr. GARSON: They operate on a commission?

Mr. WILLIAMS: Yes.

Hon. Mr. GARSON: At what rate?

Mr. WILLIAM:: We have a deal with one man who gets 15 per cent. He distributes the tickets throughout the province and prints his placards and so on. And out of that 15 per cent he gives his salesmen a 10 per cent commission.

Hon. Mrs. HODGES: Do you sell tickets just within the borders of the province or do you sell them outside the borders as well?

Mr. WILLIAMS: Practically all are sold within the borders. They may sell some outside the province, but so far as I know it is mostly within the borders of British Columbia. It is the people of British Columbia we are trying to sell and serve. We do get people from the Okanagan and from the Kootenay to attend our fair.

Hon. Mrs. HODGES: They are the people who buy the tickets?

Mr. WILLIAMS: That is right.

Mr. BROWN (*Essex West*): Mr. Chairman, I would like to ask some questions of all the witnesses with respect to lotteries. First of all with respect to the games of chance on the midways at these fairs, are they operated by one concessionaire or are they operated by a number of concessionaires? Could you answer that Mr. MacEachern?

Mr. MACEACHERN: I can answer that for the western fairs. We have the Royal American Shows which operate the midway shows and rides at the five Class A fairs. One man owns all the concessions and he rents them out to operators who make returns to him and we get the benefit of the gross payments.

Mr. BROWN (*Essex West*): Do these operators travel with the show?

Mr. MACEACHERN: Yes, except in the case of a good many of them while some are attached to the show, on the other hand he will pick up men as he may need them as he goes along.

Mr. BROWN (*Essex West*): Is that the case with the Western Fair at London, Ontario?

Mr. MACEACHERN: Yes.

Mr. WINCH: What about the Pacific National Exhibition?

Mr. WILLIAMS: It is not the case at the Pacific National Exhibition, because we have to bring in different groups since we cannot contract with the larger organizations. Actually we have a great number of independent citizens at Vancouver who have their own concessions. One man may have one concession, and another man may have two or three, and another man may have half a dozen. Then there are people with the Royal Canadian Shows who make the nucleus of our carnival whose operators travel with the show.

Mr. BROWN (*Essex West*): With respect to those operators who travel with the show, to a large extent they go to the various exhibitions; but they are not members of the exhibition association, and the lotteries or games of chance are not carried on directly by the exhibition associations. Is that right?

Mr. WILLIAMS: That is right.

Mr. BROWN (*Essex West*): And what revenue do you derive from the games of chance which are operated?

Mr. MOFFITT: Are you directing your question to Mr. Williams?

Mr. BROWN (*Essex West*): To all the witnesses.

Mr. MACEACHERN: I can speak for the western fairs. We operate on a 25 per cent commission.

Mr. BROWN (*Essex West*): In other words, if a concessionaire, one individual concessionaire, makes a profit of, let us say, \$100.00 then you get \$25?

Mr. MACEACHERN: That is right.

Mr. WINCH: How do you check their books?

Mr. MACEACHERN: That is a rather difficult thing. Where you have a certain amount of confidence in the carnival operator himself, the one who owns the carnival and operates the games, makes daily returns of the gross from each department of the concession and we just have to take his word for it. He will say that he is in much the same position and that he has to take the word of the operator who works for him. But we do have checks, rather close checks on them. He has men who go around from one place to another checking; and we have our checks too. So I think, by and large we get about what we are entitled to.

Mr. BROWN (*Essex West*): Are the same conditions prevailing at Western Fair as at the other fairs, such as the Pacific National Exhibition?

Mr. WILLIAMS: Not quite in our case, because we charge on a front-foot rental. We did try a percentage basis one year, but we did not have quite the same confidence in the results that they apparently have on the prairies, in spite of the fact that we went to even greater extremes in checking on it. We had a number of statisticians who would go out and make spot checks; but eventually we decided it would be better to make sure that we were going to get it at the start and not work on a percentage basis. I cannot tell you just exactly how much we get from the games alone; but of the \$121,000 which we get in concessions, I would guess that about \$50,000 would probably be from lotteries and games.

Mr. BROWN (*Essex West*): And does that condition prevail in Quebec?

Mr. BOUCHER: I would like to say that in Quebec we have the same organizations and the same carnivals that operate at the three main fairs at Three Rivers, Sherbrooke, and Quebec. We have a long term contract with the concessions, I believe, and as far as our own fair is concerned, we get so much per foot on all concessions and we also get something—a little higher amount of the revenue from the shows and rides which compensate more or less for the higher amount that we might possibly get from the concession. And now we also have a few local concessionaires, or people, to whom we rent space by the square foot.

Mr. BROWN (*Essex West*): Is that the case at Western Fair at London?

Mr. JACKSON: We operate on a percentage basis on "pitching" rights. It is in the form of a fixed fee to the carnival man which we take in in rent.

Mr. BROWN (*Essex West*): On these games is there a return of money or merchandise?

Mr. JACKSON: Our contract is merchandise.

Mr. BROWN (*Essex West*): You do not have games of chance for money?

Mr. JACKSON: No.

Mr. BROWN (*Essex West*): You mentioned a pitch game. What do you mean by that?

Mr. JACKSON: That is a selling concession. Perhaps we should have a carnival man to give the interpretation.

Mr. BROWN (*Essex West*): I have seen a pitch man selling household articles.

Mr. JACKSON: That is a pitch man.

Mr. BROWN (*Essex West*): A fellow who has a great line?

Mr. JACKSON: Yes. That can be abused. There are places where he has a price on an article which he puts up for sale and knocks down to an early bidder. And he uses it for "come on" and later on he is selling it at a good percentage of profit. Those are the things over which we exercise our right to say they are causing trouble and must be closed down.

Mr. BROWN (*Essex West*): In other words, a pitch man is one who convinces you that you are getting something for nothing?

Mr. MACEachern: That is not a game of chance.

Mr. BROWN (*Essex West*): You stated, Mr. Jackson, you had had some trouble with some of the concessionaires in years gone by but that they had been sent back to the United States. Are most of these concessionaires from the United States?

Mr. JACKSON: No.

Mr. BROWN (*Essex West*): What did you mean when you said you sent them back?

Mr. JACKSON: In the 1930's the carnival was an American carnical in that case.

Br. BROWN (*Essex West*): Mr. Moffitt, there is one question which occurred to me. You sell first of all a book of five tickets for \$2.00. There is a profit of 50 cents on each book for the vendor. Is that right?

Mr. MOFFITT: The vendor gets 15 per cent, which is 30 cents.

Mr. BROWN (*Essex West*): And this consists of an admission ticket and stub on each of which is inscribed corresponding numbers?

Mr. MOFFITT: Five admission tickets and a stub.

Mr. BROWN (*Essex West*): Is it in a book?

Mr. MOFFITT: A long strip. We will have one of those tickets here this afternoon which we hope to leave with the committee.

Mr. BROWN (*Essex West*): We hope that we will not be here this afternoon.

Mr. MOFFITT: We will leave it with someone.

Mr. BROWN (*Essex West*): The ticket has attached to it a stub; and the ticket and stub are numbered correspondingly?

Mr. MOFFITT: That is right.

Mr. BROWN (*Essex West*): So that when you enter the fair you put in a box your admission ticket and retain the stub?

Mr. MOFFITT: Yes, and the admission ticket has your name on it.

Mr. BROWN (*Essex West*): Then the admission ticket is put into a barrel or some other contrivance?

Mr. MOFFITT: Yes.

Mr. BROWN (*Essex West*): And from that barrel is picked out an admission ticket on which there is inscribed a number?

Mr. MOFFITT: Right.

Mr. BROWN (*Essex West*): And that number is announced over the amplifying system I presume?

Mr. MOFFITT: The number with the name on the back of it.

Mr. BROWN (*Essex West*): What happens if no one answers to that number?

Mr. MOFFITT: They draw a complete number for the prizes and then in addition they draw a duplicate lot, alternates.

Hon. Mr. ASELTIME: Do you have to be there to collect?

Mr. MOFFITT: No.

Mr. WILLIAMS: I might read what it says on the stub and ticket. It says on the stub:

The five tickets attached are each good for one admission to the exhibition grounds any date from August 25 to September 6, 1954. One ticket will admit two children. Write your name and address

on each of the tickets. This coupon entitles the owner to participate in the special privileges arranged by the exhibition. Results will be announced at the exhibition grounds. This coupon is not good for admission but must be retained for the purpose of establishing ownership. Presentation must be made within thirty days from the drawing. No other form of claim accepted. Price \$2.00. Be sure to write your name on the back of ticket.

Then, on the right hand side of the stub is a serial number and the five numbers of the five tickets attached.

Each ticket has the following wording:

Each ticket is good for one admission to the general grounds from August 25 to September 6, 1954. One ticket will admit two children.

Mr. BROWN (*Essex West*): Then a person to participate in one of the door prizes—I call them door prizes—must be in attendance at the fair?

The PRESIDING CHAIRMAN: No.

Mr. BROWN (*Essex West*): But he must have attended the fair at some time?

The PRESIDING CHAIRMAN: No.

Mr. BROWN (*Essex West*): I mean he or his agent must attend the fair.

Mr. WINCH: In other words he cannot mail them in.

Mr. BROWN (*Essex West*): If that number is drawn it could not be drawn unless someone has put the ticket in the turnstile at the fair. So, the prize given actually is a door prize and he would have no way of obtaining that door prize unless somebody, either personally or through someone on his behalf, had put that ticket in the turnstile.

Mr. BLAIR: Can one person on coming to the exhibition hand in more than one ticket?

Mr. MONTGOMERY: Yes. That was given in evidence.

Hon. Mrs. HODGES: Am I to understand that this whole question devolves on the legal definition of a lottery as to whether the sale of a door prize on the admission ticket comes within the meaning of the section?

The PRESIDING CHAIRMAN: It turns on whether the definition of what would otherwise be a lottery is broad enough to cover the advance sale of tickets for an agricultural fair whether at the fair or off the grounds. It rests on an interpretation.

Hon. Mrs. HODGES: It is a question of interpretation?

The PRESIDING CHAIRMAN: Yes.

Mr. BLAIR: Senator McDonald unfortunately is not here today, but he raised a question last year which I think might be answered. Do any of the provincial governments, as a condition of their grants to agricultural associations, insist that gambling games be prohibited on the fair grounds?

Mr. MACEACHERN: Speaking for Saskatchewan, Manitoba and Alberta, I would say no.

Mr. WILLIAMS: In British Columbia, no.

The PRESIDING CHAIRMAN: In Quebec?

Mr. BOUCHER: No.

Mr. BLAIR: This question had particular reference to Nova Scotia. Could anyone speak for the maritime provinces?

Mr. MACTAVISH: No one in our delegation.

Mr. MONTGOMERY: I could not speak for Nova Scotia. I think there is no question in New Brunswick.

Mr. BLAIR: Regarding dishonest games conducted at an exhibition, could you tell us under what section of the Criminal Code a man might be prosecuted for cheating the public in a gambling game?

Mr. MACTAVISH: Frankly, I had never had occasion to look into this, but I would have thought under the section dealing with false pretences. I thought Mr. Commons' statement was quite significant. I believe he said that in his experience in the last twenty years there was only one case, and he did not even say that it was a prosecution. It was a closed game, and so there is very little to go on in the way of evidence.

Mr. WINCH: Is that not the position in Vancouver, that any time you find anything going on that is not quite right the game is immediately closed, either by the exhibition or by the Vancouver police?

Mr. MOFFITT: Yes.

Mr. BLAIR: Mr. Moffitt, in his submission, mentioned that certain games were presently prohibited by the Criminal Code and that he feels it might be modified with regard to them. Would he indicate what those games are?

Mr. MOFFITT: I think that Mr. Williams dealt with that, Mr. Chairman.

The PRESIDING CHAIRMAN: Yes, he did.

Hon. Mrs. HODGES: Games of throwing a dime on the table, or something like that.

The PRESIDING CHAIRMAN: Yes.

Mr. BLAIR: I should like to ask regarding the proposal for authorizing advance sale lotteries whether any restrictions as to the area and time of these advance sales had been suggested. Should they be permitted to continue for a long time before an exhibition, and should they be limited in any way to a particular area?

Mr. WILLIAMS: In answer to that: I do not think that we would have any objections to reasonable restrictions in that regard. Our own policy has been to begin the actual sale approximately two months before the exhibition. We make preparations about the 1st of June, and when we get the brochures printed and the tickets printed and ready to be put on sale it is usually about six weeks or two months before the exhibition. If the committee deemed it desirable to put on restrictions of that kind we would certainly not object. If there is going to be an advance sale, it must be for a reasonable time in advance.

Mr. BLAIR: In making this proposal the delegations are, I take it, seeking an exemption and they are not suggesting in detail any control of these advance sales?

Mr. WILLIAMS: That is right.

Mr. WINCH: Could I follow up that question?

The PRESIDING CHAIRMAN: Mr. Garson has a question.

Hon. Mr. GARSON: On the last occasion when you had this advance sale, what was the total value of the prizes?

Mr. WILLIAMS: There were four automobiles, a Buick, a Pontiac, a Ford, and an Austin, I believe. In addition there are other merchandise prizes and merchandise certificates. Somebody could win a \$250 certificate which would be cashable at any store that was an exhibitor at the exhibition.

Mr. BROWN (*Essex West*): Why don't you get prizes that are manufactured in Canada?

Mr. WILLIAMS: Most of the cars are, of course.

Mr. BROWN (*Essex West*): The Buick is not and the Austin is not.

Mr. WILLIAMS: There is a Canadian Buick.

Mr. WINCH: Could I follow up Mr. Blair's question of a moment ago? In your presentation now are you actually asking for a clarification and ratification of what you have been doing over the past 25 years?

Mr. WILLIAMS: Yes.

The PRESIDING CHAIRMAN: I was going to ask you gentlemen this question: Since it appears that there is something that you would like us to have done, the best way to bring it to a head would be for you to write out what it is that suits you and send it to us.

Mr. WILLIAMS: We would agree to what Mr. Winch has just expressed.

The PRESIDING CHAIRMAN: You people should put it on paper and present it to us.

Hon. Mr. GARSON: In draft form.

The PRESIDING CHAIRMAN: Yes, in draft form.

Mr. WINCH: Can they do it now?

The PRESIDING CHAIRMAN: They could do it today and submit it; that is, a draft on what they think should be amended.

Mr. WINCH: And also perhaps on the present situation.

The PRESIDING CHAIRMAN: Please note that the next meeting of the committee is Thursday morning at 11 o'clock, and a motion to adjourn now will be in order.

Mr. WINCH: We might have something—

The PRESIDING CHAIRMAN: I think I have made it clear that what we would like them to do is to present us with a draft amendment. You say that the exclusion clause does not appear to go far enough to let you do what you have been doing. Give us a draft amendment of what you think would satisfy you and let us look at that.

Mr. WINCH: They could follow that up with any suggestions they may have regarding the immediate situation.

The PRESIDING CHAIRMAN: They have dealt with it all the morning.

Mr. WINCH: I thought that they had something further than that. Could I ask Mr. Williams if they had anything further than that?

Mr. WILLIAMS: Nothing other than that we would like the clarification as early as possible so that we may have the advance sale for this year. I do not profess to be able to tell whether it can be done immediately, but we are certainly hoping that it can be.

The PRESIDING CHAIRMAN: The meeting is adjourned.

APPENDIX

ATTORNEY GENERAL
PROVINCE OF BRITISH COLUMBIA

VICTORIA, January 4, 1955.

Ben WILLIAMS, Esq.
General Manager,
Pacific National Exhibition,
Exhibition Park,
Vancouver, B.C.

Dear Mr. WILLIAMS:

Thank you for your letter of December 29th and your good wishes for the New Year, which I most heartily reciprocate.

I am pleased to note that the problem of advance sales is now before you. My recollection of discussions in this connection last year is that while the problem would be studied for 1954 pending possible revision of the Criminal Code, any question as to the proper course to be followed would have to be resolved by the Courts in 1955 if the circumstances under scrutiny recur.

The facts are that the draft of the Criminal Code does not vary the existing provisions and further, that this draft code will become effective throughout Canada on the 1st April, 1955.

In this connection, on May 20th, 1954, I recommended to the Joint Committee of the Senate and House of Commons dealing with lotteries as follows:

With regard to the suggestion of additional provisions in respect of lotteries conducted at or in connection with agricultural fairs and exhibitions, it is suggested that the law be amended to allow agricultural fairs or exhibitions to sell in advance off the fair grounds lottery tickets in conjunction with admission tickets to the fair.

I have no reason to believe that the Committee will adopt my recommendation or secondly, that Parliament will act on the Committee's report even if rendered in 1955. In these circumstances I can see little useful purpose being served by the discussion you suggest.

Yours truly,

(signed) R. W. BONNER
Attorney-General.

